

WHAT IS CLAIMED IS:

- 1                   1.       A method of financing a real estate transaction, the method comprising:  
2                   determining an amount of seller paid points;  
3                   determining a length of term;  
4                   determining an amount of reduction; and  
5                   generating a financial instrument redeemable for the amount of reduction over the  
6                   length of term.
- 1                   2.       The method of Claim 1, wherein determining the amount of seller paid  
2                   points comprises determining an amount of prepaid points not to exceed three points.
- 1                   3.       The method of Claim 1, wherein determining the length of term comprises  
2                   determining a term of an effective interest rate reduction.
- 1                   4.       The method of Claim 1, wherein the length of term is less than or equal to  
2                   three years.
- 1                   5.       The method of Claim 1, wherein the length of term is less than or equal to  
2                   2 years.
- 1                   6.       The method of Claim 1, wherein the length of term is less than or equal to  
2                   4 years.
- 1                   7.       The method of Claim 1, wherein the amount of reduction comprises an  
2                   amount of effective mortgage interest rate reduction.
- 1                   8.       The method of Claim 1, wherein the amount of reduction comprises an  
2                   amount of interest payment reduction.
- 1                   9.       The method of Claim 1, wherein determining the amount of reduction  
2                   comprises determining an effective mortgage interest rate reduction based in part on the amount  
3                   of seller paid points.

1                   10.     The method of Claim 1, wherein determining the amount of reduction  
2 comprises determining an effective mortgage interest rate reduction based in part on the amount  
3 of seller paid points, the length of term, and a lender discount rate

1                   11.     A method of financing a real estate transaction, the method comprising:  
2 receiving a financial instrument providing for an amount of seller prepaid points;  
3 generating a mortgage;  
4 redeeming the financial instrument for the amount of seller prepaid points; and  
5 reducing buyer mortgage payments for a predetermined period of time, less than a  
6 term of the mortgage, based in part on the seller prepaid points.

1                   12.     The method of Claim 11, wherein receiving the financial instrument  
2 comprises:  
3 determining the amount of seller paid points;  
4 determining a length of term;  
5 determining an amount of reduction; and  
6 generating the financial instrument redeemable for the amount of seller prepaid  
7 points.

1                   13.     The method of Claim 11, wherein redeeming the financial instrument  
2 comprises receiving a value corresponding to the amount of seller paid points.

1                   14.     The method of Claim 11, wherein redeeming the financial instrument  
2 comprises receiving a value corresponding to the amount of seller paid points from an escrow.

1                   15.     The method of Claim 11, wherein the seller comprises a residential real  
2 estate seller.

1                   16.     The method of Claim 11, further comprising receiving a buyer mortgage  
2 application.

1                   17.     The method of Claim 11, wherein reducing buyer mortgage payments  
2 comprises reducing an effective interest rate of the mortgage for the predetermined period of  
3 time.

1                   18.     The method of Claim 11, wherein the predetermined period of time is less  
2 than three years.

1                   19.     A method of financing a real estate transaction, the method comprising:  
2                   offering for sale a plurality of similarly priced homes in a plurality of phases;  
3                   paying seller paid points on at least one home of a first phase of the plurality of  
4 phases to reduce at least one first phase buyer's mortgage payment by a predetermined amount  
5 over a predetermined period of time less than a term of the mortgage; and  
6                   paying a reduced amount of seller paid points on at least one home of a  
7 subsequent phase of the plurality of phases to reduce at least one subsequent phase buyer's  
8 mortgage payment by an amount less than a reduction of the at least one first phase buyer's  
9 mortgage payment.

1                   20.     The method of Claim 19, wherein paying seller paid points on at least one  
2 home of the first phase comprises paying seller paid points based in part on a buyer design center  
3 expenditure.

1                   21.     The method of Claim 19, wherein paying seller paid points on at least one  
2 home of the subsequent phase comprises paying seller paid points based in part on a buyer  
3 design center expenditure.

1                   22.     The method of Claim 19, further comprising offering a design center  
2 incentive based in part on the amount of seller paid points.

1                   23.     The method of Claim 19, wherein an amount of seller paid points on the at  
2 least one home of a first phase does not exceed three points.

1                   24.     The method of Claim 19, wherein the predetermined period of time does  
2 not exceed sixty months.

1                   25.     A real estate finance system, the system comprising:  
2                   a seller module configured to register a seller for a financial instrument having a  
3 defined benefit;  
4                   a financial instrument module in communication with the seller module and  
5 configured to generate a financial instrument redeemable for an amount of seller paid points; and  
6                   a lender module in communication with the financial instrument module  
7 configured to determine an effective interest rate reduction based in part on the amount of seller  
8 paid points.

1                   26.     The system of Claim 25, wherein the seller module is further configured to  
2 accept a seller commitment to the amount of seller paid points.

1                   27.     The system of Claim 25, wherein the lender module is further configured  
2 to determine a buyer mortgage and a mortgage payment having a reduced payment amount over  
3 a period defined by the financial instrument.

1                   28.     The system of Claim 25, wherein the predetermined benefit comprises the  
2 effective interest rate reduction over a predetermined period of time.

1                   29.     The system of Claim 25, wherein the lender module determines the  
2 effective interest rate reduction based in part on the amount of seller paid points and a lender cost  
3 of funds.

1                   30.     One or more processor readable storage devices having stored thereon one  
2 or more processor readable instructions, the processor readable instructions when executed by a  
3 processor performing the method comprising:

4                   determining an amount of seller paid points;  
5                   determining a length of term;  
6                   determining an amount of reduction; and  
7                   generating a financial instrument redeemable for the amount of reduction over the  
8 length of term.